

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF UNION PACIFIC)
RAILROAD COMPANY'S INTENT TO) CASE NO. UPR-R-08-01
ABANDON THE COEUR D'ALENE)
INDUSTRIAL LEAD FROM MP 7.5 TO MP) NOTICE OF INTENT TO
8.97 IN KOOTENAI COUNTY, IDAHO) ABANDON A RAIL LINE
)
) NOTICE OF
) TELEPHONIC HEARING
)
) ORDER NO. 30691**

On July 3, 2008, Union Pacific Railroad notified the Commission that it intends to file a petition with the Surface Transportation Board (STB) to abandon a portion of the Coeur d'Alene Industrial Lead located in Kootenai County, Idaho. This short stretch of track is approximately 1.29 miles in length running from MP 7.5 near Gibbs to the end of the line at MP 8.79 in Coeur d'Alene. The STB is the entity of the U.S. Department of Transportation authorized to grant or deny rail line abandonments.

NOTICE OF INTENT TO ABANDON

YOU ARE HEREBY NOTIFIED that Union Pacific indicates that it intends to file a petition seeking an abandonment "exemption" with the STB on or after November 17, 2008. Unlike the traditional abandonment process, the exemption process allows a railroad to abandon a rail line in as few as 30 days. Under the exemption process, there is no requirement to file a notice of intent to abandon or annual system diagram map showing rail lines in jeopardy. To be eligible to file a petition for exemption, a railroad must certify that no rail traffic has moved on the line for the past two years and there are no outstanding complaints about the lack of rail service on the line. Under the exemption procedure, the STB will publish a notice in the Federal Register within twenty (20) days after the petition for exemption is filed. Thirty (30) days after the notice is published in the Federal Register, the railroad is permitted to abandon the rail line unless the STB stays the abandonment.

YOU ARE FURTHER NOTIFIED that the Coeur d'Alene Industrial Lead generally runs in a northwest-southeast direction from the Union Pacific mainline between Spokane and Athol. This line was originally constructed in 1911 by the Coeur d'Alene and Pend Oreille

NOTICE OF INTENT TO ABANDON
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Railway Company. In 2004, Union Pacific abandoned 5.29 miles of track from the “middle” portion of the Coeur d’Alene Industrial Lead. The present abandonment pertains to the eastern “end” of the line that was isolated by the previous abandonment. The line runs parallel to Northwest Boulevard. A map of the track to be abandoned is attached.

Union Pacific filed its Environmental and Historical Report on November 3, 2008. As indicated in the Report, this line historically served Stimson Lumber Company’s DeArmond Stud Mill. Report at 3. Union Pacific reports that all production at the DeArmond Mill ended in May 2008 and that the mill is currently being dismantled. Union Pacific states that the property is being converted for other, non-industrial uses. *Id.* at 4.

The Railroad indicates that the right-of-way proposed for abandonment may be suitable for other public purposes, including use as a recreational trail. *Id.* at 3. “UP has entered discussions with the Coeur d’Alene City Attorney’s office and a developer regarding the possible relocation of an existing trail onto the line’s right of way. At present, the trail proposed for relocation runs along the Coeur d’Alene River, approximately 250 feet from the Line.” *Id.* Union Pacific reports that the line’s right-of-way is approximately 100 feet wide. *Id.* at 12.

NOTICE OF TELEPHONIC HEARING

YOU ARE HEREBY NOTIFIED that the abandonment of rail lines and the discontinuance of rail service are governed by federal law. As this Commission has stated many times, the authority to grant or deny the abandonment of rail lines rests with the STB, not this Commission. However, *Idaho Code* § 62-424 requires that the Commission schedule a public hearing on the proposed abandonment. The purpose of the abandonment hearing is for the Commission to determine whether the abandonment would: (1) adversely affect the area being served; (2) impair the access of Idaho shippers to vital goods and markets; and (3) whether the rail line has the potential for profitability. If the Commission finds that the abandonment would adversely affect the area being served and the line has the potential for profitability, then the Commission may represent the State of Idaho in the STB abandonment proceeding.

YOU ARE FURTHER NOTIFIED that the Commission has scheduled a public telephonic hearing in this matter on **THURSDAY, DECEMBER 11, 2008 AT 9:30 A.M., IN THE COMMISSION’S HEARING ROOM, 472 WEST WASHINGTON STREET, BOISE, IDAHO.** The purpose of the hearing is to obtain public testimony as to whether the abandonment of the remaining portion of the 1.29 miles of the Coeur d’Alene Industrial Lead

would be adverse to Idaho's public interest. The Railroad, any shipper, local government leaders, and any other interested persons are encouraged to participate in the telephonic hearing. Persons wishing to offer testimony may do so in person at the Commission Hearing Room or testify telephonically by dialing 1-866-680-0146 and enter participant code 295999. (This is a toll-free call.) Persons desiring to listen to the proceeding may do so by dialing the number and participant code noted above.

YOU ARE FURTHER NOTIFIED that the Commission finds there is good cause to schedule this hearing on less than 21 days' notice given the expedited nature of the STB proceeding. IDAPA 31.01.01.241.01.

YOU ARE FURTHER NOTIFIED that all hearings will be conducted in accordance with the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

YOU ARE FURTHER NOTIFIED that all workshops and hearings in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

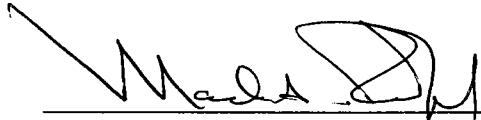
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0338 (Telephone)
(208) 334-3762 (FAX)
E-Mail: secretary@puc.idaho.gov

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over this matter pursuant to *Idaho Code* § 62-424.

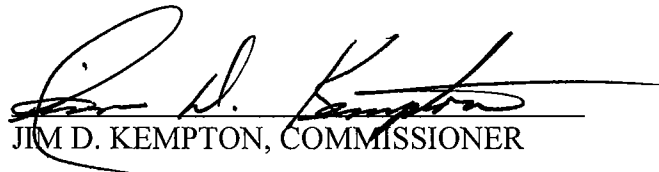
ORDER

IT IS HEREBY ORDERED that the Commission shall convene a public telephonic hearing in this matter at set out above.

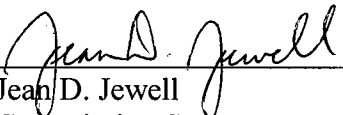
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 26th
day of November 2008.


MACK A. REDFORD, PRESIDENT

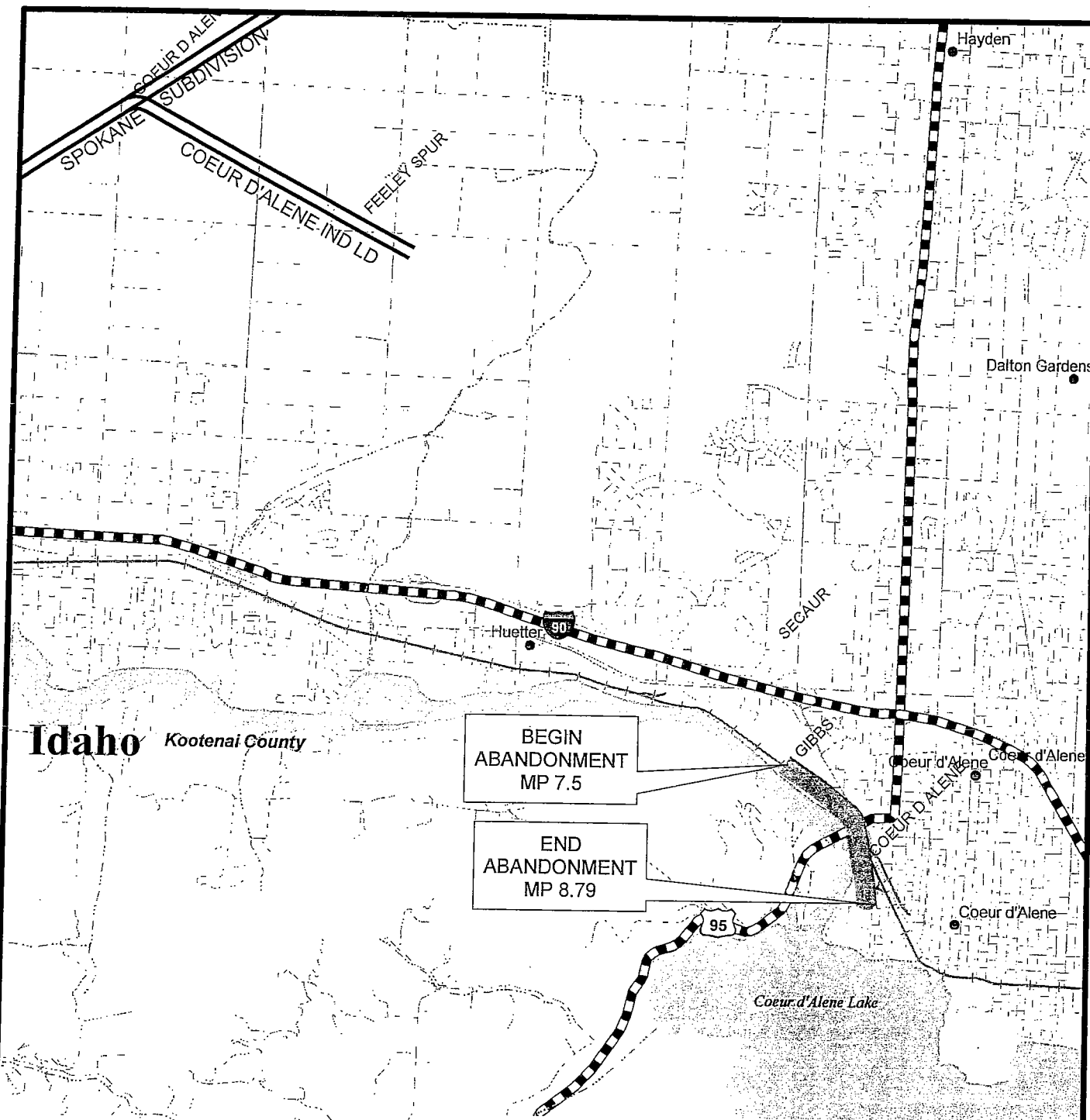

MARSHA H. SMITH, COMMISSIONER


JIM D. KEMPTON, COMMISSIONER

ATTEST:


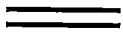
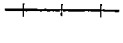



Jean D. Jewell
Commission Secretary

bls/O:UPR-R-08-01_dh



NOTE : THERE ARE NO 50+ YEAR OLD STRUCTURES

Legend

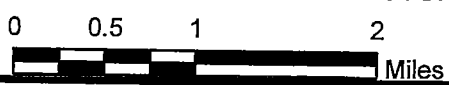
-  UPRR LINES TO BE ABANDONED
-  OTHER UPRR LINES
-  OTHER RAILROADS
-  PRINCIPAL HIGHWAYS
-  OTHER ROADS

COEUR D'ALENE INDUSTRIAL LEAD

MP 7.50 TO MP 8.79
TOTAL OF 1.29 MILES IN KOOTENAI COUNTY
IN IDAHO

**UNION PACIFIC RAILROAD CO.
COEUR D'ALENE INDUSTRIAL LEAD
IDAHO**

INCLUDING 50+ YEAR OLD STRUCTURES



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